

Fleet Finance and Accounting Manual
Chapter Six-DRAFT

CHAPTER SIX
TRANSFERS AND SALES

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CHAPTER 6

TRANSFERS AND SALES

PART A: REQUIREMENTS

6000 REQUIREMENTS

1. GENERAL

The purpose of this chapter is to provide financial accounting procedures for operating forces units to transfer material to other units, including those funded by both their own and by other operating budgets. Issues of Navy Stock Account (NSA) material held in Navy Working Capital Fund (NWCF) inventories are not considered transfers as discussed in this chapter.

2. SALES OF MATERIAL AND SERVICES

Sales of materials or services to foreign governments or private parties (e.g. merchant ships) are normally handled as a cash sale in accordance with the procedures in paragraphs 6104 or 6105.

3. FUNDED TRANSFERS

Funded transfers are those transfers or issues of end-use material between non-Navy Working Capital Funded ships or units, whose financial support is provided by different operating budgets. The general rule is that when material is transferred between units funded by different operating budgets and the cost is significant, the operating budget holder of the providing unit will obtain a reimbursable order from the operating budget holder of the unit requesting services.

KEY POINT - The "A & B" summary processes are no longer used to routinely account for transfers or sales. Reimbursable orders will be used in lieu of "A" summaries. ROV cost reports are forwarded to the type commander in lieu of ROV "B" summaries. Other "B" summaries are no longer used in the STARS-FL environment.

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PART B: TRANSFERS AND SALES

6100 TRANSFERS TO OTHER SHIPS AND AFLOAT UNITS

1. GENERAL

This part provides procedures for transfer of end-use material between end-use units. Material transferred to other ships and units, with the approval of the commanding officer, will be documented by an individually priced invoice. The transferring unit will obtain a receipt from the recipient on a file copy of the DoD Single Line Item Requisition System Document (DD Form 1348), Single Line Item Consumption/Requisition Document (NAVSUP Form 1250-1) or other document (e.g., Requisition and Invoice/Shipping Document (DD Form 1149)) as prescribed by Afloat Supply Procedures (NAVSUP P-485). However, receipts are not required for material transferred by supply ships during underway replenishment. The original invoice will be held in the transferring ship's expenditure file in accordance with NAVSUP P-485, Chapter 5.

2. GENERAL PROCEDURE

Actions taken when end-use material is transferred between units varies depends upon whether the units are funded by the same or different operating budgets and upon the value of the transfer. The rules are explained in the paragraphs below and illustrated in Figure 6-1.

a. Between Ships Under the Same Type Commander or Operating Budget

Navy Stock Account type material (except subsistence, ship's store stock, and resale clothing) transferred between end-use ships funded from the same operating budget (same appropriation, subhead and operating budget holder as shown in the bureau control number field of the accounting classification data), and transfers of type commander centrally-procured material will have no effect on unit financial records. Units will request an OPTAR augment from their type commander if the cost of material transferred is significant.

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b. Between Units/Functions Funded by Different Operating Budgets

Navy Stock Account material (except subsistence, ship's store stock, and resale clothing) transferred between end-use ships or units (including Marine Corps) funded by different operating budgets will require a financial transaction between the holders of the operating budgets involved (for example transfers between ships or units of different fleets or (Pacific Fleet) type commanders), if the value of material transfer is greater than \$1000.00. In this case, the type commander will be notified of the circumstances. Although they are no longer processed as before, "A" summaries are still generated by the operating forces' Automated Information System (AIS) and are a convenient vehicle for notifying the type commander when a unit transfers material to a unit funded by a different operating budget. "A" summaries should be forwarded to the type commander as soon as practical. The type commander will then take steps to ensure that appropriate reimbursable orders are obtained.

Material Transfer Procedure Matrix

	< \$1000 per transfer	> \$1000 per transfer
Same Operating Budget	No action required.	No action required. Request OPTAR augment if needed.
Different Operating Budget	No action required.	Submit "A" summary to type commander. Request OPTAR augment if needed.

Figure 6-1

c. Subsistence, Ship's Store Stock, and Resale Clothing

Subsistence, ship's store stock, and resale clothing transferred between ships will be accounted for in accordance with the Naval Supply Systems Command Food Service Management (NAVSUP P-486) and Ship's Store Afloat (NAVSUP P-487) publications.

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d. Transfers to or from Navy Working Capital Fund
(NWC)Ships or Units

Issues of material from NWC inventory ships or units will be considered as issues from the supply system. Likewise receipts of chargeable material by this type of ship or unit from end use ships or units are treated as Material Turned Into Stores (MTIS) for potential credit.

6101 PETROLEUM PRODUCTS

1. SHIP PROPULSION FUEL

a. General

This section provides guidance on procedures to account for the requisition, receipt, issue and inventory of petroleum products. Amplifying information for petroleum management for end users is provided in NAVSUP P-485, CINCLANTFLT/CINCPACFLTINST 4026.1 (series), and NAVPETOFFINST 4290.1 (series). For guidance in managing fleet issue cargo fuel, activities should refer to type commander instructions.

An open allotment has been established to centrally fund charges for fuel against the Fleet Commanders' Centrally Managed Operating Budgets (CMOB). Deploying units with a unit identification code (UIC) assigned, a service designator code "R" or "V" under the operational control of a numbered fleet or type Commander, receiving OPTAR funds under the procedures of this manual, and filing a monthly Summary of Fuel Inventory and Steaming Hours Report (Navy Energy Usage Reporting System (NEURS)), are authorized to cite the open allotment on obligations for ship propulsion fuel. See Figure 6-2 below for Navy-wide standardized document number series assignment to be used when requisitioning bulk ship propulsion fuel. Do not report or record charges to open allotments as obligations affecting the ship's OPTAR.

Key Point: Do not obligate OPTAR funds for ship propulsion fuel.

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CMOB Requisition Number Series

TRANSACTION	F76	JP5	BULK LUBE OIL
Requisition from CV/CVN/ LHA/LHD	6600	1999	6601
Requisition from all Other ships	6500	6501	6502
Sales to foreign ships	6700	6701	6702
Offloads	7600	7601	7602

Figure 6-2

b. Authorized Fuel Requisitions Citing CMOB

The following are authorized uses for ship propulsion fuel to be charged to the fleet commander CMOB:

- (i) Ship's propulsion,
- (ii) Small boat propulsion. Fuel required for unit's embarked boats/crafts. Report as fuel consumed in the same manner as for ship's boats, without reference to the name of parent command, on the monthly NEURS Report. See OPNAVINST 4100.11 (series) for further details,
- (iii) Auxiliary equipment operation,
- (iv) Steam power generation,
- (v) Other fuels. Naval Distillate (F76), Marine Gas Oil (MGO) and other distillate fuel oils, aviation or automotive gasoline (MOGAS), or commercially acceptable substitutes, and fuels procured for L-FORM are charged to the CMOB when used for ship's propulsion, steam or power generation.

c. Obligations for CMOB Fuel

Fleet commanders establish obligations for fuel based on data reported in the NEURS report and are billed for issue quantities reported by the issuing activity. Therefore, the supply officer will ensure that any issue, receipt, or turn-in quantity discrepancy is immediately resolved so that the NEURS report will be accurate.

(i) NEURS Report Routing

Include the supply officer in the routing of the NEURS report before submission.

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(ii) Public Voucher Routing

Forward an information copy of all public vouchers (with substantiating documents) for procurement from non-Navy sources chargeable to the CMOB to the Fleet Commander.

(iii) DD Form 1155 Routing

A DD Form 1155 will be prepared for each purchase of fuel from a foreign/commercial source (including foreign tankers). See the paragraph below for details on preparation of procurement documents. The completed DD Form 1155 and the dealer's invoice will be forwarded to Defense Finance & Accounting Service-Columbus Center, Fuels Accounting and Payments Division, Attn: DFAS CO-SFFI, P.O. Box 182317, Columbus, OH 43218-6251.

(iv) Bunker Fuel Sources

Five separate sources of bunker fuel exist:

- Government Stocks Ashore - FISCs, Naval Fuel Depots, etc.,
- Government Stocks Afloat - Fleet oilers, Defense Energy Support Center (DESC) contracted tankers, etc.,
- Government Bunker Contracts - Foreign and domestic sources under contract either to DESC or to local Navy activities,
- Bilateral Exchange Agreements - Prearranged sources in foreign ports where U.S. stocks and bunker contracts do not exist and from foreign navy oilers,
- Local Purchase - CONUS or Overseas.

(v) Priorities in Determining Fuel Sources

U.S. Navy ships will obtain bunkering from government-owned stocks, where available. Where such stocks are not available, but government bunker contracts are in effect, these contracts must be used. In some locations where U.S. stocks and bunker contracts do not exist, the use of bilateral exchange agreements may be possible. NAVPETOFFINST 4025.1 provides sources of U.S. Government-owned fuel in CONUS and overseas ports.

(vi) Local Purchases of Bunker Fuels

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When none of the above options are available, local purchase is authorized when the following conditions are met:

- U.S. Government stocks, DESC bunker contract sources and Fuel Exchange Agreements are not available.
- Operational considerations prevent delay of fueling operations until U.S. Government owned or DESC contracted sources for fuel are available.
- Obtain an authorization number from NAVPETOFF for conditions other than cited above. Commercial procurement must be kept to a minimum and should only occur when absolutely necessary. NAVPETOFFINST 4290.1 (series) provides a current CONUS and overseas commercial bunker contract listing.

(vii) Preparation of Procurement Documents

Requisitions for fuel are prepared by the ship's Supply Department on a DD Form 1155, Order for Supplies or Services. The following information is required on the DD Form 1155 for Navy end-use ship purchase transactions on DESC bunker contracts and local purchases of bunker fuels. Blocks 13 and 15 are essential to ensure proper and timely payment of dealer invoices.

Block 1: Contract/Purchase Order Number. If the order is placed under a DESC bunker contract, enter the DLA contract number.

Block 2: Delivery Order Number. Blank or as applicable.

Block 3: Date of Order. Enter the date the order was placed with the contractor.

Block 4: Requisition/Purchase request Number. Enter a complete MILSTRIP requisition number (i.e., Service designator and UIC of the requesting ship, Julian date, and serial number). The requisition Julian date must be the same as the date of delivery.

Block 5: Blank.

Block 6: Issued By. Enter the name, hull number, and DODAAC of the requesting ship/Fleet unit. Include the ship's complete mailing address and telephone number.

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- Block 7: Administered By. For bunker contracts established by DESC, enter DESC, 8725 John J. Kingman Rd., Suite 2941, Ft Belvoir, VA 22060-6222. For local purchases, enter the name and address of the appropriate type commander.
- Block 8: Delivery FOB. Enter and "X" in the destination block.
- Block 9: Contractor. Enter the contractor's complete name and mailing address to which payment is to be made.
- Block 10: Delivery to FOB Point By. Enter the required delivery date.
- Block 11: Check If Applicable. Place an "X" in the appropriate block if applicable.
- Block 12: Discount Terms. Describe discount terms if offered.
- Block 13: Mail Invoices To. "See block 15".
- Block 14: Ship To. Enter the name and complete address of the delivery location.
- Block 15: Payment Will Be Made By. Defense Finance and Accounting Service-Columbus Center, Fuels Accounting and Payments Division, Attn: DFAS-CO-SFFB, P. O. Box 182317, Columbus, OH 43218-6251.
- Block 16: Type Of Order. Place an "X" in the delivery Block if Block 1 is a DLA contract and the Supply Officer is acting as the Ordering Officer. Place an "X" in the Purchase Block if this is a local purchase of fuel.
- Block 17: Accounting and Appropriation Data. Use the following accounting data for all commercial purchases of fuel from DESC bunker contracts and local purchases of fuel.

Appropriation and Subhead	97X4930.5CF0
Object Class	261
Bureau Control Number	BLANK
Suballotment	1
Authorization Accounting Activity	33150
Transaction Type Code	BLANK
Property Accounting Activity	BLANK

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Cost Code (12 digits) R/V and UIC of ship receiving fuel, followed by appropriate Fund Code (39, 43) and four (4) zeros.

Block 18: Item No. Enter the item number from DLA contract.

Block 19: Schedule of Supplies/Services. Enter product, i.e., MGO, FND, etc., Type: &&, Signal Code: A, Fund Code: 39 or 43 (as appropriate)

Block 20: Quantity Ordered/Accepted. Enter the quantity of fuel ordered and accepted.

Block 21: Unit of Issue. Enter the unit of issue. Normally metric to (MT).

Block 22: Unit Price. Leave blank for DESC bunker contracts. DFAS will use escalating tables to determine proper price.

Block 23: Amount. Leave blank.

Block 24: Sign.

Block 26: Place an "X" in INSPECTED, RECEIVED AND ACCEPTED Blocks. Sign and date.

(viii) Requisition/Accounting Procedures

When obtaining fuel, supply officers should carefully review these requisitioning and accounting procedures to avoid documentation problems. The following guidance applies to requisitioning fuel:

- Fuel obtained from government stocks is funded by the CMOB open allotment.

- All commercial purchases (CONUS or out-CONUS) of ship's fuel, including deliveries from foreign ships, are processed through the Navy Working Capital Fund (NWCF) using the directions in subparagraph g above, vice the CMOB open allotment.

- All delivery charges such as barge charges, tug services, etc., associated with the delivery will be billed to the NWCF.

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- Use the appropriate requisition serial number identified below:

a. Unit Identification Code (UIC)

(1) Inter-ship transfers: cite UIC of receiving activity.

(2) Receipts from shore activities, off-load for credit, surveys: cite ship's UIC.

b. Julian Date (JD) is determined as follows:

(1) FAS UNREPs: JD of first line over.

(2) Transfers to/from other activities: JD when pumping begins.

(3) Transfers from cargo to ship's use:
AO/AOE/TAO/LHA/LHD use JD for the last day of the month for reporting own ship's fuel consumption.

c. Serial Numbers:

(1) Requisitions issued from CV/CVN/LHA/LHD will use serial numbers from Figure 6-3 below:

**Serial Numbers for
CV/CVN/LHA/LHD**

POL Commodity	Serial Number
F76/FND	6600
F44/JP5	1999
L06	6601

Figure 6-3

(2) Requisitions from all other ships (less SSN/SSBN) will cite serial numbers from Figure 6-4 below:

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**Serial Numbers for
Other Ships**

POL Commodity	Serial Number
F76/FND	6500
F44/JP5	6501
L06/9250 Bulk Lube Oil (from MSC (USNS) tankers only	6502
F46/MUR (MOGAS) (from USNS tankers only)	6506

Figure 6-4

(3) Requisitions for operating Gains or Gains by
Receipt will cite serial numbers from Figure 6-5 below:

**Serial Numbers for
Documenting Gains by Receipt
Or Other Gains**

POL Commodity	Serial Number
F76/FND	6503
F44/JP5	6504
L06/9250 Bulk Lube Oil (from MSC (USNS) tankers only	6505
F46/MUR (MOGAS) (from USNS tankers only)	6507

Figure 6-5

(4) Surveys will cite serial numbers from Figure
6-6 below:

Serial Numbers for Survey Documents

POL Commodity	Serial Number
F76/FND	7500
F44/JP5	7501
L06/9250 Bulk Lube Oil (from MSC (USNS) tankers only	7502
F46/MUR (MOGAS) (from USNS tankers only)	7506

Figure 6-6

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(5) Operating losses or losses by receipt will cite serial numbers from Figure 6-7 below:

**Serial Numbers for Operating Losses
Or Losses by Receipt**

POL Commodity	Serial Number
F76/FND	7503
F44/JP5	7504
L06/9250 Bulk Lube Oil (from MSC (USNS) tankers only	7505
F46/MUR (MOGAS) (from USNS tankers only)	7507

Figure 6-7

(6) Sales to foreign ships or other government agencies will cite serial numbers from Figure 6-8 below:

**Serial Numbers for Sales to Foreign Ships or to Other
Government Agencies**

POL Commodity	Serial Number
F76/FND	6700
F44/JP5	6701
L06/9250 Bulk Lube Oil (from MSC (USNS) tankers only	6702
F46/MUR (MOGAS) (from USNS tankers only)	6703

Figure 6-8

(7) Off-load documents (turn-in ashore or afloat for credit) will cite serial numbers from Figure 6-9 below:

Serial Numbers for POL Off-Load

POL Commodity	Serial Number
F76/FND	7600
F44/JP5	7601
L06/9250 Bulk Lube Oil (from MSC (USNS) tankers only)	7602
F46/MUR (MOGAS) (from USNS tankers only)	7603

Figure 6-9

(8) All requisitions for barge charges incidental to bunker fuel delivery use serial number 6508.

Notes:

- Should the same type of transaction occur more than once in a single day, add an alphabetic (e.g., 6500A, 6500B, etc.) suffix code to the serial number.

- The following examples provide clarification:

- Procurement of F76 by USS HALYBURTON, an end use ship, for own ship's use:

V21107-3275-6500 Fund Code 39

- Procurement of F44 by USS HALYBURTON for HELLO support:

V21107-6275-6501 Fund Code 39

- Procurement of L06 by USS TARAWA, a Navy Working Capital Fund ship, for own ship's use:

R20550-2175-6502 Fund Code S9

The 6502 serial number applies only when obtaining bulk 9250 lube oil from a USNS tanker. Bulk lube oil is chargeable to ship's OPTAR. Do not cite the Fleet CMOB on lube oil procurements. Lube oil requirements will be funded from the ship's OPTAR, citing Fund Code _9.

(ix) Staff Boats Without Parent Ship

Fuel for boats and craft assigned to a staff or activity without a "parent ship" to provide fuel support will be

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procured with OPTAR funds citing fund code _9 instead of the CMOB. Staff or other TYCOM activity boats or craft provided fuel by a ship meeting the criteria will not charge OPTAR funds since the cost of the fuel will be reported by the ship through submission of the monthly NEURS report.

(x) Detention/Demurrage/Backhaul/Downgrade

Certain associated charges accrue as a result of the ship or activity failing to meet delivery criteria of a commercial contract for bunker fuel. All of these charges are paid from ship's OPTAR citing fund code _U by the activity at which they occur.

(a) Detention

Detention is a charge by the commercial carrier for holding commercial trucks and tractors/trailers beyond the allowed "free" time. Operating forces units incur detention charges when MOGAS, bulk lube oil, ordnance material, etc., are delivered by commercial trucks, and trucks delivering these items are kept waiting.

(b) Demurrage

Demurrage is similar to detention, except that it applies to holding rail cars and barges beyond the allowed "free" time.

(c) Backhaul/Downgrade

Backhaul/downgrade charges are incurred when delivery is refused for all or part of a product and it must be returned to the delivering activity. These charges normally amount to the minimum contract price.

(d) Overtime

Overtime costs incurred during fueling/defueling are chargeable to the ship's OPTAR, citing Fund Code _U.

(xi) Bill Certification

The ship will certify invoices for these ancillary charges for payment from OPTAR funds. Where charges are questionable, notify the type commander via message and request assistance in resolution. Maintain all original documents on board pending resolution.

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KEY POINT - Incurring detention, demurrage, back-haul, downgrade, or overtime charges are funded from ship's OPTAR. However, they may not be considered adequate justification for an OPTAR augment.

d. Fuel Exchange Agreements (FEA)

Upon receipt or issue of fuel under a Fuel Exchange Agreement (FEA), NAVPETOFFINST 4025.1 (series) and NAVSUP P-485, paragraph 8414, require a copy of all documentation to be mailed immediately upon completion of the transaction to Defense Finance & Accounting Service, Code AAMD, 9712 Virginia Avenue, Norfolk, VA 23511-3297. A message will also be sent to DFAS NORFOLK VA//AAMD//. The message format is contained in NAVPETOFFINST 4025.1 and will include fleet and type commanders as information addressees and the body of the message will include the following information:

- (1) SUBJ/RECEIPT OF FUEL UNDER A FEA// or /ISSUE OF FUEL UNDER A FEA//.
- (2) UIC of USN ship.
- (3) Name and nationality of foreign vessel or shore station issuing or receiving fuel.
- (4) Nationality of Vessel/Shore Activity.
- (5) Fuel quantity issued/received (in U.S. gallons).
- (6) Date of issue/receipt.
- (7) Grade of product issued/received.
- (8) Document number used.
- (9) Supplementary Address: N60951.
- (10) Signal Code.
- (11) Fund Code.

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e. Accounting Data for Commercial Purchases - End Use

Ships procuring fuel for end use from commercial sources or foreign governments not covered by a Fuel Exchange Agreement cite this Navy Working Capital Fund (NWCF) accounting data:

(i) Active Fleet.

97X4930.5CF0 261 BLNK 1 S33150 BLNK BLNK #(UIC)390000

(ii) Reserve Fleet.

97X4930.5CF0 261 BLNK 1 S33150 BLNK BLNK #(UIC)430000

Insert the applicable service designator (R/V)

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f. Accounting Data for Commercial Purchases - Fleet Oilers

Fleet Oilers and NWCF ships procuring fuel from commercial sources or foreign governments not covered by an FEA cite this accounting data:

(i) Fleet Oilers

97X4930.5CF0 261 BLNK 0 S33150 BLNK BLNK #(UIC)UZ0000

(ii) NWCF Ships Carrying JP5 fuel in NWCF

97X4930.5CF0 261 BLNK 0 S33150 BLNK BLNK #(UIC)00*****UZ

Insert the applicable service designator (R/V)

* Insert the Julian Date and serial number

2. TRANSFERS OF AVIATION FUEL

a. In-flight Refueling By Navy/Marine Corps Tankers
Performed Under The Fuels Automated System (FAS) While Not Deployed

The procedures prescribed in the following paragraphs will be used for accounting for in-flight refueling by Navy/Marine Corps tanker service aircraft performed while not deployed.

Key Point - Aviation units will not submit detailed obligations for fuel on their OPTAR document transmittals (TLs). As described in Chapter 4, fuel will be direct charged on the SFOEDL.

(i) Material Control Officer Responsibility

The Material Control Officer of the transferring squadron is responsible for providing a local in-flight refueling form for the pilot to record the in-flight refueling transactions during flight. The local in-flight refueling form will be conveniently located adjacent to the flight plan "yellow sheet" for completion by the pilot at end of flight. The form will contain the minimum information required to effect proper billing and reporting. The local in-flight refueling form shall have a designated area for entry of the Unit Identification Code (UIC) of the aircraft squadron receiving the in-flight refueling. The Material

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Control Officer will collect the in-flight refueling forms daily to prevent loss.

(ii) Pilot Responsibility

The pilot of the transferring squadron is responsible for filling out the local squadron in-flight refueling transaction report upon completion of flight. The pilot, while completing out the flight plan "yellow sheet", should record the in-flight refueling data.

(iii) Billing

The custodian of the tanker aircraft (squadron) is responsible for effecting the billing of all fuel delivered during the in-flight refueling.

(iv) Tanker Refueling Billing Data

Station refueling transactions will be logged using the Fuels Automated System (FAS) directly obligating fuel transactions against recipient squadrons. Onboard ship, a DD Form 1348 will be used as the basis for reimbursing the ship for replenishment of the tanker aircraft and billing the recipient squadron. The DD Form 1348 will be prepared with sufficient copies to satisfy the ship distribution and two copies for the recipient squadron.

(v) Document Number

For those units operating under FAS, the document serial number will automatically be assigned by date, Type Equipment Code (TEC), and fuel type. The document serial number for those not operating under FAS will be "F111". Aviation activities shall ensure this serial number is not cited for any purpose other than in-flight refueling. A complete document number will be established in the following manner.

(a) Unit Identification Code

The recipient squadron's unit identification code preceeded by the service designator code ("R" or "V").

(b) Julian Date and Serial Number

Cite the date that the tanker service was performed and the serial number as assigned by FAS or "F111" (if not operating under FAS).

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(c) Aircraft Bureau Number

When possible, the in-flight refueling document will contain the aircraft bureau serial number of aircraft refueled.

(vi) Fuel Dumped

When it is necessary for the tanker squadron to dump fuel while performing tanker service, regardless of justification, the tanker squadron will absorb the cost for the fuel dumped.

(vii) Settlement of Fuel Received by Tanker Squadrons Not Operating Under The Fuels Automated System

On the 10th, 20th, and last day of the month, or as scheduled by the type commander. A settlement will be made for all fuel received by the tanker squadron from the supporting ship. The tanker squadron will obtain the total sum received for both the squadron operations and the fuel dispensed during in-flight refueling operations.

For example, if the total sum of fuel for the period is 10,000 gallons at \$1.16 per gallon, the total cost would be \$11,600.00. If consumption was 7,000 gallons for actual tanker squadron operations, and 1,000 gallons each dispensed to three squadrons, it would be necessary to prepare four DD Form 1348s to cover the cost of fuel received and to effect proper settlement. Document preparation will be as shown in Figure 6-10:

Sample Tanker Squadron Settlement Documents

DOCUMENT NUMBER	FUND CODE	TEC	QTY	AMOUNT
R09289-2191-F001	7B	AABK	7,000	\$8,120.00
R09073-2183-F111	7B	*	1,000	\$1,160.00
R09932-2183-F111	7B	*	1,000	\$1,160.00
R09475-2186-F111	7B	*	1,000	\$1,160.00

Figure 6-10

* NOTE: Aircraft Type Equipment Code (TEC) will be assigned by the recipient squadron, for inclusion in the Budget OPTAR Report. The amount to be posted to the OPTAR of the tanker squadron would be \$8,120.00. Each receiving squadron would post \$1,160.00 to its OPTAR (see par. 4104).

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(viii) Distribution of Documents

Distribution of the documents will be made in accordance with this paragraph:

(a) Original and one copy of DD Form 1348 requesting the fuel issue will be provided by the requesting unit to the issuing activity.

(b) Two copies of the DD Form 1348 will be forwarded via mail to the recipient squadron. The recipient squadron will use the DD Form 1348 to record the transaction to the OPTAR records and establish a file of aviation fuel transactions not financially completed (i.e., that have not yet appeared on the squadron's Summary Filled Order/Expenditure Difference Listing).

(c) The tanker squadron will file a copy of the document (for example, R09289-2191-F001) in the completed requisition file.

(d) The tanker squadron will establish an in-flight refueling file separate from the regular squadron requisition file. One copy of each in-flight refueling requisition (R09073-2183-F111, R09475-2186-F111 and R09932-2183-F111) will be filed for retention. These documents will be filed in Julian date sequence.

b. In-flight Refueling By Navy/Marine Corps Tankers
Performed under Fuels Automated System (FAS) While Deployed

The procedures in the following paragraphs will be used in accounting for in-flight refueling performed while deployed.

(i) Material Control Officer Responsibility

The Material Control Officer of the transferring squadron is responsible for providing a local in-flight refueling form for the pilot to record the in-flight refueling transactions. The local in-flight refueling form will be conveniently located in the ships' ready-room near the flight plan "yellow sheet" for completion by the pilot at time of debriefing upon completion of mission. The form shall have a designated area for entry of the UIC of the aircraft squadron receiving the in-flight refueling.

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(ii) Pilot Responsibility

The pilot of the transferring squadron is responsible for filling out an in-flight refueling transaction report at time of debriefing upon completion of mission. The pilot, while completing out the flight plan "yellow sheet", should record the in-flight refueling data.

(iii) Commander, Carrier Air Wing

The commander is responsible for the coordination between the tanker squadron and recipient squadrons to ensure proper billing, credit granting and reporting are accomplished for the in-flight refueling, as contained in these procedures.

(iv) Fuel Sale and Tanker Credit Document Preparation

DD Forms 1348 will be prepared to record aviation fuel sale to the recipient squadron(s) and to obtain corresponding credit for the tanker squadron. The document number for recording the sale will be constructed as follows:

(a) Unit Identification Code

The recipient squadron's unit identification code preceded by the applicable service designator code ("R" or "V"),

(b) Julian Date

Assign the Julian date the tanker service was performed; and

(c) Serial Number. In each case the serial number will be "F111". Aviation activities shall insure this serial number is not cited for any purposes other than in-flight refueling.

(d) When feasible, the in-flight-refueling document will contain the aircraft bureau serial number of the aircraft refueled.

The fund code cited in the DD Forms 1348 will be the applicable flight operations aviation fuel fund code. The DD Form 1348 prepared for obtaining credit for the tanker squadron will be prepared in the same manner the same as the DD Form 1348 prepared when tanker's fuel was loaded (including the same document number), except that the quantity will be equal to the sum of the quantity contained in the DD Forms 1348 prepared for the recipient squadrons

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and the Remarks block will contain the phrase "J1 CREDIT." On aircraft carriers where the storekeeper resources have been pooled and reestablished as the CVW Material Branch and assigned the responsibility to maintain all deployed squadron's OPTAR records, the Commander of the Carrier Air Wing (CVW) may desire to have the CVW Material Branch accomplish the in-flight refueling document preparation and reporting through the Stock Control Division (S-1) Fuel Accounting Storekeeper. However, the tanker squadron will be responsible for these functions unless otherwise informed by the Commander of the CVW.

KEY POINT - Dumped Fuel. When it is necessary for the tanker squadron to dump fuel while performing tanker service, regardless of justification, the tanker squadron will absorb the cost for the fuel dumped.

c. Buddy-Stores

The above in-flight refueling procedures will also apply to squadrons using the "Buddy-Stores" method of in-flight refueling, i.e., refueling by other than transfers.

d. Receipts from Air Force

When fuel is obtained from Air Force tanker aircraft, the receiving squadron will reconcile the fuel amount and document number by using the Fuels Automated System when possible. When deployed, the document serial number to be assigned for in-flight refueling will be "F111" citing total fuel received for each day.

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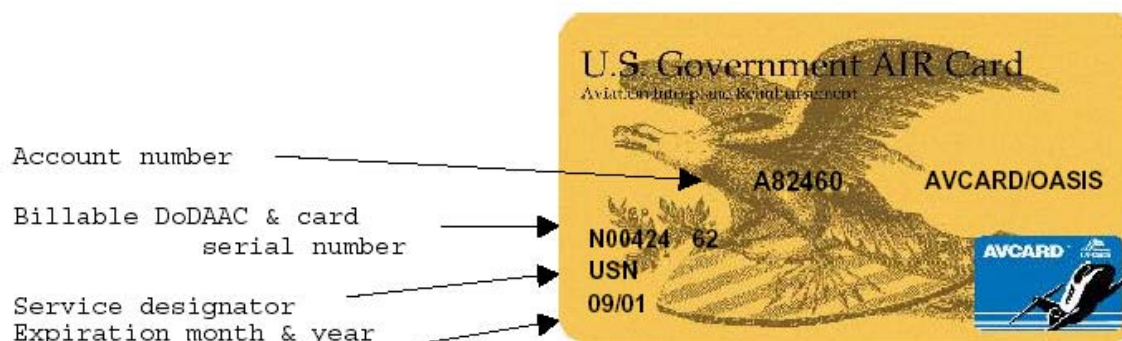
e. Transfers to Navy and Military Sealift Command Tankers.

Aviation fuels transferred from Navy Working Capital Fund (NWCF) ships to fleet oilers and Military Sealift Command tankers will be covered by a DoD Single Line Item Requisition System Document (DD Form 1348) citing the NWCF fund code UZ.

f. Aviation Into-Plane Reimbursement Card (AIR Card) Usage and Guidance

The AIR Card is an embossed credit card (similar to a VISA card), which shows an account number, a billable Department of Defense Activity Address Code (DODAAC - service designator code with unit identification code, registered in the Defense Automated Addressing System (DAAS) as a billable address), two-digit card serial number, service branch (USN), and expiration month and year. The following is an example of an AIR Card:

Figure 6-11



Sample AIR Card

Authorized fuel and fuel related product purchases include: aviation fuel, callout fees, flowage fees, fuel additives, overtime charges, rapid/hot refueling fees, and taxes. Authorized ground and ramp services include: aircraft housekeeping (trash collection, lavatory servicing, potable water, etc.) aircraft landing fees, aviator breathing oxygen, de-icing service, defuel and refuel service fees, ground equipment fees (stairs, STARCART GPU, etc.) hydraulic fluids, lube oil, parking fees, ramp fees, security services, slot time fees, and supplies (maps, navigational aids, etc.)

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AIR Cards can be used at both Defense Energy Supply Center (DESC) Into-Plane contracted Fixed Base Operators (FBOs) and non-contracted FBOs worldwide. A list of locations with general information is available on the Internet at the AVCARD website:

<http://www.avcard.com/>.

A list of Into-Plane contract locations is available on the Internet at the DESC website:

<http://www.desc.dla.mil/>.

IDENTAPLATES (DD Form 1896) are required for purchasing aviation fuel and lubricants at all other DoD and NATO military installations, and Canadian National Defence Contracts (CNCD) locations.

At most commercial airports where the AIR Card is accepted, AVCARD has established a contract with the FBO which offers fuel at a discount from the posted price. This discount varies from location to location; however, the average discount for all AIR Card-accepting FBOs has been 10 cents per gallon. At commercial airports where both Into-Plane contract and non-contract fuel is available, aircrews are only authorized to purchase Into-Plane contract fuel. Because of the increased cost to the Government of both Into-Plane contract fuel and non-contract fuel compared to DoD-owned fuel, military fuel provided at military air bases should be utilized first whenever possible.

Effective 1 October 2001, AVCARD, the AIR Card contractor, will process all fuel invoices for both into-plane fuel and local purchase fuel through Defense Energy Support Center to DFAS Columbus, Ohio, Center. Charges will appear on the SFOEDL at standard prices for aviation fuel. Ground services obtained with the AIR Card will continue to be invoiced to the customer for payment through their servicing DFAS. Invoices should be certified and forwarded for payment in accordance with Afloat Supply Procedures, NAVSUP P-485. It is important that the AIR Card be utilized for all purchases of aviation fuel at all domestic and out CONUS commercial locations to facilitate timely and accurate payments.

If there is not an AIR Card acceptor at an airport location to support a mission, the AIR Card contractor should be contacted so that they can establish a merchant agreement or make pre-arrangement with fuel provider or ground service handler at the airport. The AIR Card contractor can be

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contacted 24 hours a day, 7 days a week, 365 days a year at the toll free number found on the reverse side of the AIR Card. The Navy Petroleum Office (NAVPETOFF) is the Navy and Marine Corps Service Control Point (SCP) for the AIR Card. As the SCP, NAVPETOFF is responsible for establishing and coordinating Department of the Navy (DoN) policy and procedures for the AIR Card program; providing input to DESC on contract requirements; disseminating contract information; maintaining the DoN squadron data base; distributing AIR Cards; assisting with invoice issues; and answering program questions. For additional information visit:

<http://www.navpetoff.navy.mil/>.

6102 TRANSFERS TO MARINE CORPS

Transfers of material to Marine Corps organizations ashore, other than Navy Working Capital Funded activities, will be covered by a priced DoD Single Line Item Release/Receipt Document (DD Form 1348-1) and reported in accordance with paragraph 6104. Reimbursable orders will be obtained by the operating budget holder that funds the activity providing the material.

6103 TRANSFERS TO SHIP'S STORE

1. NAVY END-USE SHIPS

In the case of Navy end-use ships, if it is found necessary to transfer material previously paid for by the appropriation 17_1804 or 17_1806 to the ship's store for use in service activities or for resale, such material will be covered by a priced and extended credit DoD Single Line Item Release/Receipt Document (DD Form 1348-1). The invoice will contain a notation as follows:

Charge: 97X4930.NC1A, Navy Stock Fund, allotment 21001,
and functional account 51000;

Credit: 17_1804 (or 17_1806), Operation and Maintenance,
Navy (or Navy Reserve) appropriate subhead,
operating budget, unit identification code, and
fund code.

The appropriation adjustment will be made by DFAS, Norfolk for the Atlantic Fleet and DFAS, San Diego for the Pacific Fleet on the basis of the Navy Stock Account (Ship's Store) returns.

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2. MILITARY SEALIFT COMMAND COMMISSIONED SHIPS

In the case of Military Sealift Command commissioned ships, when material previously charged to 17X4912, Navy Industrial Fund, subhead 3302, is transferred to the Navy Stock Account (Ship's Store), DoD Single Line Item Release/Receipt Document (DD Form 1348-1) will be prepared showing the charge as indicated above and credit to 17X4912.3302. The credit invoice will be included in the NSA (Ship's Store) returns.

3. NAVY WORKING CAPITAL FUNDED SHIPS

When ships holding a NWCF inventory transfer material to ship's store (e.g. for use in service activities or for resale) such material will be documented by a DoD Single Line Item Requisition Systems Document (DD Form 1348) citing fund code NZ. The issue will be reported by Transaction Item Report (TIR) to NAVICP, Mechanicsburg, Pennsylvania.

6104 SALES TO OTHER FEDERAL AGENCIES OR MERCHANT VESSELS

1. GENERAL

With approval of the commanding officer, transfers of material may be made to the Army, Air Force, to vessels controlled by and operated under the Maritime Administration, and to other government departments upon presentation of an official order or requisition signed by proper authority and citing the appropriation of the department which will bear the cost and the fiscal office from which reimbursement is to be obtained.

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2. SALES TO MERCHANT VESSELS

Sales to merchant vessels in distress may be made when naval supplies can be spared. Written approval of the commanding officer of the selling ship is required on the face of each DoD Single Line Item Release/Receipt Document (DD Form 1348-1), with a certification of circumstances that required the transfer. The invoice will show the name and address of the firm owning and operating the vessel, and the Navy appropriation, subhead, and operating budget creditable with the proceeds of the sale. A receipt in duplicate will be obtained from the master or purser of the ship on the invoice. Such transfers will be made normally for cash and will be handled in accordance with the procedure set forth in this chapter. When it is not feasible to collect cash, the DD Form 1348-1 will be forwarded to the DFAS Norfolk, Code AAMD for all 9 and 1Q Cog material and to DFAS Charleston, Code AIBAA for all other material sales, i.e. 1R, 7R, 3G, 7H.

3. FUELS AND LUBRICANTS TO OTHER GOVERNMENT DEPARTMENTS

Navy and Marine Corps activities issuing aviation fuel and lubricants to other government department's aircraft will use the DoD Single Line Item Release/Receipt Document (DD Form 1348-1). The form will be prepared to include the following information:

- a. Aircraft type, model, and serial number of the plane,
- b. Major command to which the plane is assigned,
- c. Grade, quantity, standard price, total value, and date the product was issued, and
- d. Name, rank, serial number, and signature of the pilot, co-pilot, or crew chief.

Since the Air Force will accomplish payments on Voucher for Transfers Between Appropriations and/or Funds (Standard Form 1080) only when supported by documents containing all the foregoing information, it is necessary that such data be obtained by Navy personnel at the time of issue. The DD Form 1348-1 will be forwarded to DFAS Norfolk, Code AAMD.

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4. CASH COLLECTIONS

Cash collections will be accomplished locally when possible. A Requisition and Invoice/Shipping Document (DD Form 1149) will be prepared showing the appropriation, subhead, operating budget holder, the organization to which the material is sold and a document number in the unit's expenditure series. The DD 1149 will also show the name, symbol number, and signature of the disbursing officer acknowledging receipt of the cash. The disbursing officer will report the collection in his next financial returns.

5. INVOICE PREPARATION

When it is not possible to effect collection locally, the DD Forms 1149 or 1348-1, will be forwarded to DFAS Norfolk, Code AAMD for all 9 and 1Q Cog material and DFAS Charleston, Code AIBAA for all other material sales, i.e. 1R, 7R, 3G, 7H. The original and 3 copies of each transfer invoice, with the original and 1 copy receipted, will be forwarded the same day such a transfer occurs and will indicate the following information:

- a. Name of the department, bureau, office, or branch, and the specific activity to which the material was sold,
- b. Name and address of the fiscal office from which reimbursement is to be obtained,
- c. Date and number of the request placed by the ordering activity,
- d. Appropriation symbol data of the department which will bear the cost,
- e. The receipt of a responsible representative of the receiving activity,
- f. The Navy appropriation, subhead, operating budget, unit identification, and fund code to be credited,
- g. See paragraph 6104-3 above for issues to the Air Force.

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6105 ASSISTANCE TO FOREIGN VESSELS OF WAR, MERCHANT VESSELS,
AND AIRCRAFT

1. AUTHORITY.

a. General

Article 0749, Navy Regulations, authorizes the sale of supplies or services to naval vessels and military aircraft of friendly foreign governments subject to the approval of the commanding officer and to instructions contained herein. Any United States naval vessel or activity may sell or furnish on a reimbursable basis without an advance of funds any of the supplies or services listed herein when in the best interest of the United States and subject to modifying instructions, if any, disqualifying a specific country or countries, issued by the Chief of Naval Operations, or subject to instructions of the Commandant of the Marine Corps for Marine Corps units and activities. Materials and services authorized are as follows:

(i) Routine port services in territorial waters of the United States or in waters under United States control (including pilotage, tugs, garbage removal, line handling, and utilities) to naval vessels of friendly foreign governments,

(ii) Routine airport services (including landing and take off assistance, use of runways, parking and servicing) for military aircraft of friendly foreign governments,

(iii) Miscellaneous supplies (including fuel, subsistence, repair parts, and general stores, but not including ammunition) to naval vessels and military aircraft of friendly foreign governments (subject to the approval of the cognizant fleet or force commanders when provided overseas), and

(iv) Subject to the approval of the Chief of Naval Operations in each instance, overhauls, repairs, and alterations together with necessary equipment and its installation required in connection therewith, to naval vessels and military aircraft of friendly foreign governments.

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b. Emergency Requests From Merchant Ships and Non-Military Aircraft

Article 0926, Navy Regulations, authorizes the senior officer present to furnish assistance and repairs to distressed ships and aircraft of foreign states at peace with the United States. The Federal Aviation Act of 1958, (72 Stat. 798; 49 U.S. Code 1507 (VO)), authorizes the emergency sale of fuel, oil, equipment, mechanical services, and other assistance to any aircraft. The services outlined in paragraph 6105-1a may be issued in an emergency under the conditions set forth under the authorities contained herein, and subject to such instructions as may be issued by the Secretary of the Navy or appropriate systems command, fleet commander, or type commander.

2. SERVICES NOT CHARGEABLE

Routine port and airport services may be furnished at no cost to the foreign government concerned where such services are provided by United States Naval personnel and equipment without direct civilian labor or material costs to the Navy. When furnishing routine port services to naval vessels of an allied country, such services may be furnished without reimbursement if such services are provided under an agreement that provides for the reciprocal furnishing by such country of routine port services to naval vessels of the United States without reimbursement. An allied country is a country that is a member of the North Atlantic Treaty Organization, Australia or New Zealand, or any other country designated as an allied country by the Secretary of Defense with the concurrence of the Secretary of State. If in doubt as to whether a foreign country has a reciprocal port services agreement, confirmation can be obtained from Chief of Naval Operations (N412).

3. NATO STANDARDIZATION AGREEMENT

The Standard Procedures for Services Rendered and Supplies Transferred Between NATO Navys (STANAG 1062) provides for the rendering of services and the sale of supplies similar to those enumerated in paragraph 6105-1 and Article 0786-4, between the naval forces of NATO Nations. The agreement is effective during wartime and peacetime NATO exercises. Under the terms of this agreement, the forms to be used for demand and issue will be those of the host Navy. In addition, the bilingual "NATO Navy" Standard Requisition and Invoice Form will be completed. Fleet, force, and type

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commanders are authorized to approve transactions under this agreement, as appropriate.

4. INVOICES AND ACCOUNTING PROCEDURES

Invoicing and accounting procedures will be in accordance with the procedures in this chapter.

6106 MATERIAL TURNED INTO STORE ASHORE OR TO NAVY WORKING CAPITAL FUNDED SHIPS

1. TRANSFER PROCEDURE

Material which the supply officer considers in excess of requirements will be turned into store ashore or to Navy stock funded ships. Each transfer will be approved by the commanding officer or the supply officer.

2. OPERATING BUDGET CREDITS

Navy Stock Account type material turned into store will be covered by DoD Single Line Item Release/Receipt Document (DD Form 1348-1) (or DD Form 1149 for fuel), if credit is expected. Final determination as to the acceptability for credit will be accomplished by the applicable inventory control point. Such credits will be reported as credit expenditures in STARS-FL. Credit will be granted to the operating budget holder (e.g., fleet or type commander) and not to the operating forces unit.

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6107 COST ACCOUNTING FOR TRANSFERS

1. GENERAL

As discussed in paragraphs 4400 and 6100, the procedures that operating forces use for accounting for the value of material consumed in the Repair of Other Vessels (ROV) and the value of material transferred to other units have changed significantly in the past several years. The "A" and "B" summary procedures used in the past are no longer in effect. Although many AIS used by operating forces still have the capability to produce these "A" and "B" summaries, the summaries are not submitted to the Authorization Accounting Activity under STARS-FL procedures.

In general, the procedures in this paragraph apply to the cost of services purchased with operating forces funds as well as to end-use material. For example, tenders or SIMAs may rent cranes or manlifts from Public Works Centers to be used in work on tended units. When the cost of such rental is significant and it can be identified to a specific job on a specific tended unit, the costs should be reported in accordance with the procedures in this paragraph.

KEY POINT: "A" and "B" Summaries are no longer used. There is no requirement to send Summaries to the Authorization Accounting Activity. All operating forces financial personnel should understand the new procedures described below.

2. TRANSFERS/REPAIR OF OTHER VESSELS WORK BETWEEN UNITS FUNDED BY THE SAME OPERATING BUDGET

When transfers of end-use material or purchased services occur between two units funded by the same operating budget, there is no longer any financial accounting requirement. When the two units' mission support funding is granted from the same appropriation, subhead and operating budget/bureau control number, the two units are considered to be funded by the same operating budget and the procedures in this paragraph apply. If any of those accounting classification elements are different (e.g., Operation and Maintenance, Navy to Operation and Maintenance, Navy Reserve; or the operating budgets of different Pacific Fleet type commanders), the units are funded by different operating budgets and the procedures in paragraph 6106-3 apply.

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a. Repair of Other Vessels Costs for Work on Units Funded by the Same Operating Budget as the Tender/SIMA

When the tended/repaired ship (its mission support OPTAR funds) is funded by the same operating budget that funds the ROV OPTAR of the repair activity under which the ROV charges were initially funded, an ROV Cost Report (e.g., SUADPS-RT Report 46 or MRMS 831 report) will be prepared and sent to the type commander who granted the tender's or SIMA's ROV OPTAR, who will consider the cost of the repair work in preparing budget data (certified obligations). The frequency of submission will be specified by the type commander. These procedures do not affect the total obligational authority of the operating budget holder. All costs obligated will be charged to the OPTAR of the tender or SIMA. There will be no impact on the OPTAR of the benefiting (repaired) ship.

The monthly ROV Cost Report will be used by the type commander for statistical analysis and to calculate the cost of maintenance of the benefiting ships, for budget development and justification purposes. Cost accounting calculations are made so that the costs of ROV work can be traced to the correct unit identification code, subactivity group, program element, etc.

In all cases the unit identification code of each ship receiving the benefit of the ROV materials or services will be cited on the monthly ROV Cost Report forwarded to the type commander.

For the Atlantic Fleet tender and SIMAs, these procedures are used when repairing ships of other Atlantic Fleet type commanders, as long as the benefiting ship is funded out of the Operations and Maintenance, Navy appropriation. CINCLANTFLT will transfer an appropriate amount of funding between the Schedules of Operating Authority of the affected type commanders. The tender or SIMA will provide a copy of the monthly ROV Cost Report to the type commander of the benefiting ships.

Key Point - The Tender/SIMA's responsibilities are limited to financial accounting for obligations in accordance with Chapter 4, and submission of the ROV cost report to their type commander.

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b. Other Transfers of End Use Material Between Units Funded By the Same Operating Budget

When other end-use (i.e., non-ROV) material is transferred from one operating forces activity to another operating forces activity within the same operating budget, there is no cost accounting action required. If the transferring unit will be required to replenish the material and the cost is significant (greater than \$1,000.00 total extended dollar value in a single month), the transferring unit should communicate the circumstances to their type commander and request an OPTAR augment (if needed) in accordance with established procedures.

Key Point - When transferring material to other units funded by the same operating budget, no cost accounting reports are required. The transferring unit should reorder the material, if necessary, and report the obligation in accordance with Chapter 4. Note that there is no charge to the receiving unit or credit to the issuing unit.

3. TRANSFERS BETWEEN UNITS FUNDED BY DIFFERENT OPERATING BUDGETS

When transfers of end-use material or purchased services occur between two units funded by different operating budgets, action is required on the part of the transferring unit unless the value is insignificant, as defined below. When the two units' mission support funding is granted from a different appropriation, subhead and operating budget/bureau control number, the two units are funded by different operating budgets and the procedures in this paragraph apply. In general, unless the value of the material transferred is insignificant (less than \$1,000.00 total extended dollar value in a single month), the operating budget holder that funds the transferring activity will request and obtain a reimbursable order from the operating budget holder of the receiving activity.

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a. Repair of Other Vessels Costs for Work on Units Funded by a Different Operating Budget Than the Tender or SIMA

When the tended/benefiting ship is funded by a different operating budget than the operating budget that funds the ROV OPTAR, special procedures are required. Upon notification of the requirement to perform work on a unit funded by a different operating budget, the tender or SIMA will immediately notify the customer that a reimbursable order will be required to fund the work. The reimbursable order should be provided as soon as possible by the operating budget holder that funds the benefitting ship to the operating budget holder that funds the tender/SIMA. The providing operating budget holder may then elect to follow either the Reimbursable OPTAR method or the Job Cost Transfer method, as described in detail in paragraph 4602-1.

The tender/SIMA will be notified of the procedure to be followed and either furnished a reimbursable OPTAR grant (in the case of the Reimbursable OPTAR method) or notified that they are to charge the costs to their ROV OPTAR (in cases where the Job Cost Transfer method is chosen by the type commander). The tender/SIMA will establish an availability in their AIS that identifies the unit identification code of the benefiting ship.

The performing tender/SIMA will then report the cost of the work by either the reimbursable Budget OPTAR Report (in the case of the Reimbursable OPTAR method) or by inclusion in the monthly ROV Cost Report (in cases where the Job Cost Transfer method is chosen by the type commander).

When Atlantic Fleet reserve ships are repaired by the Atlantic Fleet tender or SIMAs, the type commander will establish procedures, Operations and Maintenance, Navy Reserve funding will be provided to the SIMA either via a separate OPTAR grant from COMNAVSURFLANT or to the tender via the Job Cost Transfer method.

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b. Other Transfers of End Use Material Between Units Funded By Different Operating Budgets

When end-use material is transferred between units funded by different operating budgets, the action to be taken depends on the value of the material being transferred.

(i) Value of Transfer is Less Than \$1,000.00

If the total extended value of end-use material transferred by an operating forces activity to a unit or units funded by a different operating budget is less than \$1,000.00 total extended dollar value in a single month, no action is required. If it can be determined that the cumulative value of such transfers over a period of two or more months will exceed the \$1,000.00 threshold, then the procedures in subparagraph (ii) below will apply.

(ii) Value of Transfer is Greater Than \$1,000.00

A reimbursable order should be obtained from the operating budget holder of the receiving activity in this case. It is preferable to obtain the reimbursable order in advance of making the transfer, but the nature of military operations may preclude this. If the essentiality of military operations requires that end-use material be transferred before a reimbursable order can be issued and accepted, follow the procedures below.

If the value of end-use material or services transferred by an operating forces activity to a unit (or units) funded by different operating budgets exceeds \$1,000.00 in a single month, then the type commander of the transferring ship must be promptly notified of the circumstances so that the transferring unit's operating budget holder can obtain a reimbursable order from the operating budget holder of the receiving activity.

This notification must be made in writing, but can be made in any convenient method. Certain accounting data will be required from the receiving unit to prepare the notification. The notification should contain, at a minimum, the appropriation, subhead, operating budget, name and unit identification code of the receiving unit, the fund code provided by the receiving unit and the value of the material or purchased service transferred. The "A" Summary format (NAVCOMPT Form 176) may be used for this purpose.

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If the transferring unit will be required to replenish the material and the cost is significant (greater than \$1,000.00 total extended dollar value), then the transferring unit should request an OPTAR augment (if needed) in accordance with their type commander's established procedures.

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PART C: ASSISTANCE TO ALLIED FORCES AND FOR CIVIL
DISASTERS

6200 ASSISTANCE TO ALLIED FORCES

1. AUTHORITY

Assistance to allied forces may be provided when authorized in accordance with Article 1946-4 of Navy Regulations, and upon authority of the Chief of Naval Operations to furnish support to forces of specific foreign governments based upon an agreement providing for dollar reimbursement in the United States at departmental level. In general, these procedures are limited to joint military operations under the United Nations or under a mutual assistance treaty. In addition, the Chief of Naval Operations enters into US/foreign government fuel exchange agreements which provide for settlement at the Department of the Navy level.

2. ACCOUNTING REQUIREMENTS

Cash collections for the value of material issued in support of allied forces will be effected locally, when possible, as prescribed in paragraph 6103-4. The accessorial charges and administrative charges prescribed and described in paragraph 6200-3b below will not apply to countries which have a reciprocal agreement under which they do not charge U.S. Navy ships for such costs. When cash collections are not feasible, the value of the material will be forwarded to DFAS Norfolk, Code AAMD for all 9 and 1Q Cog material and DFAS Charleston, Code AIBAA for all other material sales. In those cases, accessorial charges be applied by DFAS.

3. PRICING

a. General

Issues of supplies and material will be at standard price. When accessorial charges and or administrative charges are applied, these charges will be shown on the invoice separately from the material cost.

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b. Accessorial Charges and Administrative Charges

Accessorial charges to cover transportation and out-of-pocket costs for packing, crating, and handling but only when and to the extent the providing operating ship/unit actually incurred these costs in making the sale. An administrative charge of 2% the total cost of the material will be applied to cover the general and administrative costs of making the sale.

The accessorial charges and administrative charges prescribed and described in this paragraph will not apply to countries which have a reciprocal agreement under which they do not charge U. S. Navy ships for such costs. The value of the accessorial charges and the administrative charges when applied will be credited to the appropriate appropriation and subhead shown in Figure 6-12 below:

**Accounting Data for Crediting
Accessorial Charges**

Fleet	Appropriation/Subhead	AAA
CINCLANTFLT - Active	17_1804.60BA	60951
CINCPACFLT - Active	17_1804.70BA	60957
CINCLANTFLT - Reserve	17_1806.60BA	60951
CINCPACFLT - Reserve	17-1806.70CA	60957

Figure 6-12

6201 CIVIL DISASTERS OR EMERGENCIES IN FOREIGN COUNTRIES

1. AUTHORITY

Assistance to foreign countries suffering civil disasters and emergencies may be authorized or approved by Executive Order or other Presidential directive, by the Secretary of the Navy, or by the Chief of Naval Operations as outlined in paragraph 6200-1.

2. CONSIGNED OR TRANSPORTED MATERIAL

All material carried in the Navy Working Capital Fund (NWCF) loaded aboard ships or aircraft for transport to foreign countries for disaster relief will be invoiced to NAVICP by the shore activity at the time of issuance or loading. When the consignee is known at the time the material is loaded aboard ships, consignment will be made on a bill of lading or other appropriate shipping document.

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When the consignee is not known at the time of loading, ships upon unloading at a destination will report the unloading to NAVICP, on a Requisition and Invoice/ Shipping Document (DD form 1149). The original and 3 copies of the invoice indicating the consignee(s) will be forwarded under a letter of transmittal. Further accounting by the operating forces is not required. The address to use for sending the invoice/other documentation will be forwarded to DFAS Norfolk, Code NIBMA for all 9 and 1Q Cog material and DFAS Charleston, Code AIBAA for all other material sales.

3. MATERIAL ISSUES

a. NSA or NWCF Material

Material carried in the Navy Stock Account by an activity of the operating forces and issued upon proper authority for relief purposes under disaster conditions will be invoiced and the invoice will be forwarded to DFAS Norfolk, Code NIBMA for all 9 and 1Q Cog material and DFAS Charleston, Code AIBAA for all other material sales.

b. End-Use Material

End-use material issued upon proper authority for disaster relief will be invoiced and will be forwarded to DFAS Norfolk, Code NIBMA, for all 9 and 1Q Cog material and DFAS Charleston, Code AIBAA for all other material sales.

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PART D: WORK ON FOREIGN GOVERNMENT SHIPS OR PRIVATELY
OWNED SHIPS WHEN PERFORMED BY A TENDER, OR SIMA

6300 TENDER AND SIMA WORK ON FOREIGN GOVERNMENT SHIPS OR
PRIVATELY OWNED SHIPS

Work by tenders or SIMAs is not normally performed on ships of a foreign government nor on privately owned ships (neither privately owned U.S. ships nor private ships of a foreign registration). In the absence of available shore industrial/commercial facilities, or under special circumstances, the Chief of Naval Operations (CNO) may authorize a tender or SIMA to perform ship work on a foreign government owned (or on rare occasion, a privately owned) ship. When directed to perform work on foreign government or privately owned ships, tender or SIMAs must obtain specific TYCOM guidance for labor and material cost accounting.